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NSPS Staffing Flexibilities

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5 CFR Regulatory Flexibilities

- Final Rule on Staffing & Employment: Alternative Promotion Procedures
  - Alternate Certification
    - ✓ Air Force HR Advisory 2007-30
  - Assessment Boards
    - ✓ Vectoring – Development Teams
  - Exceptional Performance Promotion
    - ✓ Limited application to most organizations
  - Draft NSPS Alternative Forms of Competition Guide
  - Managerial reluctance

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Big Picture Flexibilities

- DoD Reassignments
  - Internal flexibility; processed as transfers
  - Usefulness in agency co-location or joint basing situations
- Pay Setting
  - Up to 5% increase for reassignments
    - ✓ Stress career progression as incentive for YA-2 to YC-2 moves
    - ✓ Management-directed reassignment flexibility
  - New hires – internal and external equity
  - Need to set realistic expectations

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Pay & Recruitment Issues

- Intra-band salary controls
  - True worth of position to organizational mission
  - Trade-off – loss of maximum flexibility
- Market sensitivity
  - Hard-to-fill and mission critical positions
  - Competition within DoD
  - No increase to base pay line with one-time costs
    - ✓ Recruitment, relocation, retention allowances
    - ✓ PCS expenses
    - ✓ Student loan repayment

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Pay & Recruitment Issues

- Need for improved job marketing
  - Innovative and realistic announcements
  - AF Pilot Program March-July 09
  - Total Rewards focus in austere economy – DoD benefits package incredibly attractive
- Need for external staffing flexibilities?
  - Expedited or direct hiring authorities
  - Enabler for mission critical “lead market” strategy
  - Dec 2008 OPM Report on NSPS

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Top 10 to Attract Employees

1) Competitive health care benefits
2) Competitive base pay
3) Work / life balance
4) Competitive retirement benefits
5) Career advancement opportunities
6) Challenging work
7) The caliber of coworkers
8) Pay raises linked to individual performance
9) Recognition for work
10) Reputation of the company

Source: 2003 Towers-Perrin Talent Report

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Top 10 to Retain Employees

1) Career Advancement Opportunities
2) Retention of high-caliber people
3) Overall work environment
4) Development of employee's skills
5) Resources to get the job done
6) Competitive base pay
7) Clear goals from manager
8) Challenging work
9) Manager inspires enthusiasm
10) Overall satisfaction with benefits

Source: 2003 Towers-Perrin Talent Report

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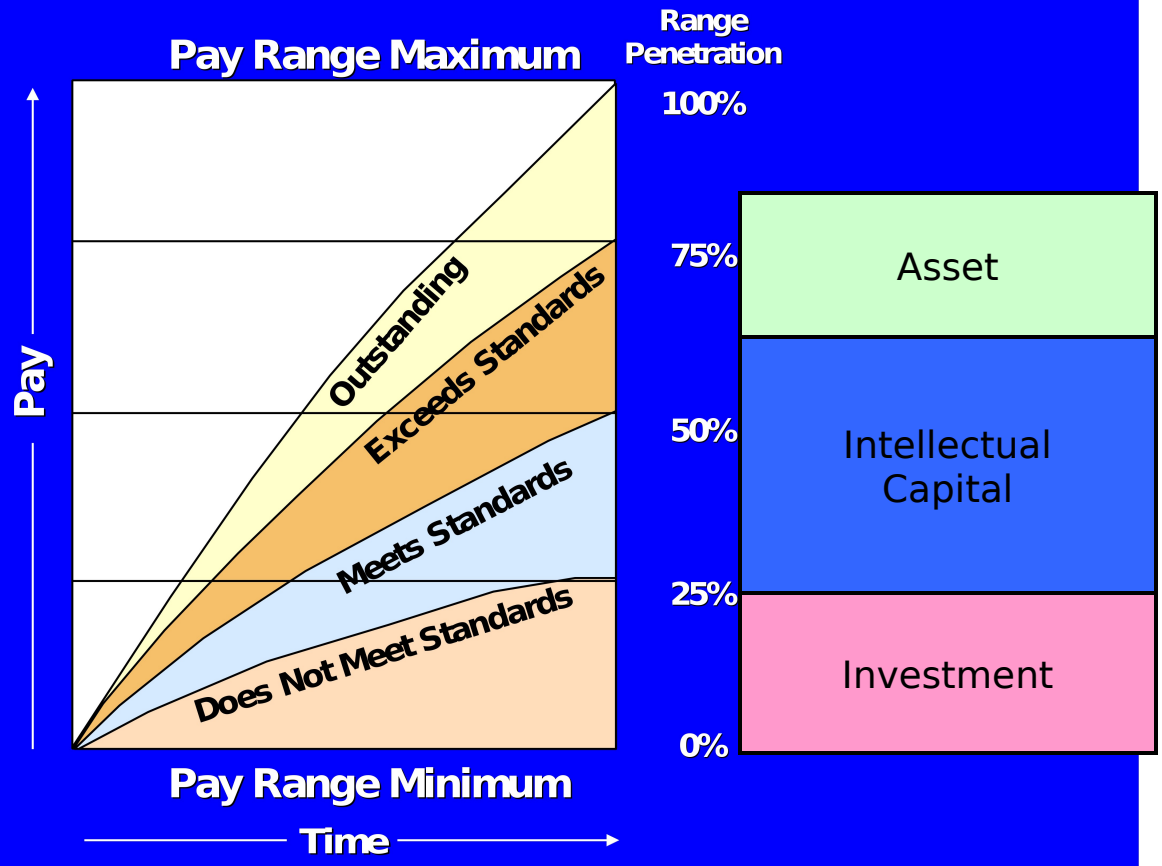
Top 10 to Engage Employees

1) Senior management interest in employees
2) Challenging work
3) Decision-making authority
4) Customer orientation
5) Career advancement opportunities
6) Reputation of the company
7) Collaboration with coworkers
8) Resources to get the job done
9) Input on decision making
10) Senior management vision

Source: 2003 Towers-Perrin Talent Report

Range Penetration

Position in Range – Pay Progression within Range



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Source: WorldatWork – Compensation Fundamentals, Module 5: Base Pay Determination

Range Penetration

Pay Pool Guidance – Notional Example

Targeting the midpoint: use of control points or a "performance lever" is used as a springboard to higher-base salaries in the upper portions of the salary ranges based on employees' ***sustained*** high-performance.

The Performance Lever – Base-pay progression is limited at **P75** of the salary range as follows:

MIN P25 P50 **P75** MAX

Role Model (Lev 5) Performance: 100% of the P4P/merit-payout is in base-pay *
Level 4 Performance: 80% in base-pay, 20% in lump-sum (bonus)
Level 3 Performance: 60% in base-pay, 40% in lump-sum (bonus)
Levels 2 & 1 Performance: Does not apply-no shares provided